



Memorandum of Understanding
between
The State of Victoria
and
The State of California
for collaboration on climate
change action



PREAMBLE:

- A. This agreement represents an important step in the evolution of global climate change action. In creating practical linkages between jurisdictions in both hemispheres, this agreement builds a platform for regional integration in response to a global challenge.
- B. This agreement exemplifies the leadership role of sub-national jurisdictions in driving global climate change solutions.
- C. The State of Victoria, a member of the Council for the Australian Federation, and the State of California, one of the United States of America, recognising the importance of acting on climate change, and the importance of proactive States working together, hereby agree through this Memorandum of Understanding (MOU) to collaborate on climate change initiatives where it is in our interest to do so.
- D. This collaboration is intended to further the economic, social and environmental goals of both jurisdictions and further position both Parties as regional and global leaders in climate change policy.
- E. This MOU:
- reflects the importance that both California and Victoria place on the development of international relationships;
 - embodies the intentions of both States to take a regional leadership role on climate change; and
 - recognises the value of collaboration in pursuing best-practice policies and technologies for greenhouse gas emissions reduction and adaptation to climate change.



AREAS OF AGREEMENT:

Nature of collaboration

California and Victoria agree to actively promote collaboration where it is in the interests of both to do so; this may include the following areas:

- **Cap emissions, foster market competition for efficiency and low carbon resources, and coordinate carbon offsets**

California and Victoria are working to reduce greenhouse gas emissions and to establish regional market-based systems to assist this effort; and are well-placed to ensure that linkages are established across international borders with the view to the eventual interoperability of regional schemes.

- **Reduce greenhouse gases in the transportation sector**

Building on California's leading measures to reduce emissions from its vehicle fleet, collaboration would provide benefits for both Parties in sharing policies and technologies for motor vehicles, public transport and behaviour change.

Specifically, California's Low Carbon Fuel Standard (LCFS) harnesses market competition to reduce greenhouse gas emissions from the transportation sector.

Recognising that fuel standards in Australia are generally set at the national level, Victoria could investigate the potential for a vehicle greenhouse emissions standard – like California's LCFS.

- **Encourage the development of clean energy technology**

California and Victoria are committed to the development of clean and renewable energy technologies, including carbon sequestration, and all forms of renewable energy projects. Collaboration will ensure successful initiatives and technologies are shared across jurisdictions and help realise collaborative research opportunities.

- **Develop energy efficiency and green building standards**

California and Victoria have a range of successful initiatives in place to promote energy efficiency in households and businesses. Collaboration would help ensure the sharing of experiences in market transformation and enhance the development of a low-carbon built environment.

- **Helping communities adapt to climate change**

With similarities in climate, California and Victoria face increased water scarcity, drought risk, wildfire threat and agricultural vulnerability, as well as pressures to coastal infrastructure and human health. Collaboration in these areas would strengthen adaptation strategies in both States, building community resilience to a changing climate.

- **Conduct economic assessments**

California and Victoria are undertaking studies to assess the economic impacts of climate change and associated policy responses. The States could pursue collaborations on studies of this kind.



LIMITATIONS OF AGREEMENT

California and Victoria acknowledge that this MOU is not intended to create any legally binding rights or obligations, and will not be enforceable in any court of law in Australia or in the United States of America.

California and Victoria commit themselves in good will to implement this MOU to the fullest extent practicable, subject to any changes in policy that they may adopt.

SIGNED on this fourth day of May in the year 2007.

For the Government of Victoria

The Hon. Steve Bracks MP

Premier of Victoria State of Victoria
Australia

For the Government of California

Arnold Schwarzenegger

Governor of California State of California
United States of America